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DIRECTOR OF CENTRAL INTELLIGENCE Committee on Exchanges

EC-296-78 20 November 1978

MEMORANDUM FOR: Dr. Robert Bowie

Deputy Director for National

Foreign Assessment

FROM

Chairman, Committee on Exchanges

SUBJECT

Committee on Exchanges

The attached report is the 1978 Report by the Committee on Exchanges, which is provided as a contribution to the Deputy Director for National Foreign Assessment, for the DCI's Annual Report to the President.

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DIRECTOR OF CENTRAL INTELLIGENCE Committee on Exchanges

1978 Report Committee on Exchanges

The Director endorsed continuing provision of Intelligence Community advice and support to those who administer US exchanges and commercial contacts with the USSR, Eastern Europe and the PRC by and through his Committee on Exchanges (COMEX). He also approved hybrid organizational arrangements under which the individual representatives he chooses to assign to certain critical problems may call on COMEX for support. Finally, he directed that COMEX report to him through the Deputy Director for National Foreign Assessment.

The Interagency Committee on Internal Security joined COMEX to represent Department of Justice foreign intelligence interests; the Department of the Treasury withdrew from active participation, choosing only to monitor those exchange matters of particular Treasury interest; the office of International Security Affairs, membership because of resource contraints; NASA accepted the Committee primarily through the Director's Representative on the NSC/OSTP ad hoc Working Group on Space.

The COMEX Secretariat provided staff support or substantive contributions to:

- a. The NIO/USSR and Eastern Europe in his contribution to negotiations for renewal of the US-USSR Bilateral Agreements on Agriculture, Energy, Housing and Oceans;
- b. The National Science Foundation with an evaluation of its Profile of Soviet Science and background intelligence briefings;
- c. The NSC/Europe Interagency Group's semi-annual review of the US-USSR Bilateral Agreements;
- d. The Assistant NIO/Social Studies (S&T) in his work on technology transfer, PRM-31, and on PRC

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- e. The SA/DCI/CI for the NSC Special Coordinating Committee/Counter Intelligence with factual and evaluative information concerning the CI implications of foreign visitors to the US;
- f. The CIA COMEX member in his participation on the Federal Coordinating Committee on Science, Engineering and Technology.

COMEX commissioned Intelligence Community Working Groups to produce Intelligence Gain-Technilogy Loss evaluations for those renegotiating the US-USSR Agriculture, Transportation and Oceans Agreements in 1978, and the Energy and Housing Agreements in 1979. COMEX also commissioned, through the Scientific and Technology Intelligence Committee, assessments and guidelines of US-USSR and Eastern Europe exchanges on:

Recombinant DNA Technology;

Semi-conductor Physics;

Chemical Catalysis; and on

Ten Soviet Exchange Nominees in Optical and Laser Technologies,

In evaluating the Chemical Catalysis Working Group, the Army's Foreign Science and Technology Center concluded that Technology gain could not be assessed accurately because of a lack of reporting from US participants. The FSTC evaluations was forwarded to Dr. Frank Press, Chairman of the US S&T Commission, who reacted by requesting the State Department to develop a regularized system of reporting.

COMEX members contributed to 150 intelligence opinions (many on multiple exchange topics and individuals) on the potential for US intelligence gain and/or technology loss in exchanges. COMEX recommended the denial of 21 US Visas, of which the State Department actually denied 12, and alternate programs or itineraries in many other instances.

COMEX organized background intelligence briefings for several US exchanges groups and contributed to the content of others. This was a part of general COMEX efforts to further intelligence collection which include improved acquisition and dissemination of basic programmatic information on exchanges and exchange participants. The developing COMEX Data Base on

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Soviet participants is becoming increasingly useful to many members of the Intelligence Community.

The greatest challenge during 1979 will be the burgeoning US-PRC exchanges. Implementation of PRM-31 is also expected to increase the COMEX work load on both the USSR and Eastern Europe but greater information flows required by PRM-31 will improve its capabilities.

The pressures of the internal US debate over technology transfer have forced COMEX attention to this issue at the expense of its primary mission to provide close intelligence support to US exchange participants. Work on PRM-31 during 1978 intensified this imbalance. Strong efforts will be made during 1979 to move from this essentially defensive posture into a more aggressive program to support actively those who seek to exploit the collection opportunities provided by exchanges.